AMENDMENTS TO THE CLAIMS:

This listing of claims will replace all prior versions, and listings, of claims in the application:

1.   (currently amended)   A method of purchasing a customized storage medium, <u>as shown in Figure 3</u> comprising the steps of: accessing a terminal, said terminal having access to at least one recorded item and including at least one storage medium;

<u>providing a sample of the recorded material selected that a user can listen to or view in said terminal on a seat or bench</u>

selecting at least one of said at least one recorded item;

adding said selected at least one recorded item to a list;

recording said at least one selected item to said storage medium;

dispensing said storage medium<u>; and</u>

<u>dispensing a case to contain said storage medium.</u>

2.   (original)   The method of claim 1 further comprising the step of previewing said selected at least one recorded item.

3.   (currently amended)   The method of claim 1 further comprising the steps of: designing a label; and printing said label on one of ~~a protective~~ <u>said</u> case and said storage medium.

4.   (original)   The method of claim 1 further including the step of including said list on said label

5.   (currently amended)   The method of claim 1 further comprising the step of selecting a payment type<u> selected from the group consisting of credit card, automatic debit, and cash</u>.

6.   (original)   The method of claim 1 further comprising the step of affixing a magnetic strip to said case.

7.   (original)   The method of claim 6 further including the step of paying a cashier.

8.   (original)   The method of claim 1 further comprising the step of recording data on a data collection server.

9.   (original)   The method of claim 8 further comprising the step of accessing the recorded data.

10.   (currently amended)   A system for selectively storing audio and visual recorded material onto a storage medium, comprising:

a terminal having access to recorded material and configured to download recorded material selected by a user to a storage medium; and

a dispenser connected to said terminal configured to distribute said storage medium having said selected recorded material recorded thereon as shown in Figure 3.

11.   (original)   The system of claim 10, wherein said terminal includes a hard drive with recorded material stored therein.

12.   (original)   The system of claim 10, wherein said terminal is communicatively connected to a supply server having recorded material stored therein.

13.   (original)   The system of claim 11, wherein said terminal is communicatively connected to an internet.

14.   (original)   The system of claim 12, wherein said supply server is communicatively connected to an internet.

15.   (original)   The system of claim 10, wherein said terminal is communicatively connected to a data collection server.

16.   (original)   The system of claim 15, wherein said data collection server is communicatively connected to an internet.

17.   (original)   The system of claim 16, wherein said data collection server is

communicatively connected to a website accessible by third parties.

18.   (original)   The system of claim 15, wherein said data collection server collects data related to quantity of sales of said selected recorded materials.

19.   (original)   The system of claim 17, wherein said third parties are copyright owners.

20.   (currently amended)   A method of purchasing recorded material <u>from a user's home via the internet as shown in Figure 3</u>, comprising the steps of:

selecting at least one recorded item from a list of recorded items available for purchase;

purchasing said at least one recorded item;

collecting sales data on a server related to the quantity of sales of said at least one recorded item;

communicating said data to an internet website; ~~and~~

accessing said data to determine applicable royalty payments due; <u>and</u>

<u>downloading the recorded material to a storage medium on a user's computer</u>.